

**HUMAN RESOURCES POLICIES AND PROCEDURES**

Area: Benefits

Subject: Group Insurance Program

Applies To: Campus Benefitted Employees

Sources:

Number: 2400

Issued: 7/2008

Revised:

Page(s): 1 of 5

**Purpose**

To prescribe conditions under which an employee may subscribe to Group coverage.

**Policy**

All regular employees with a work commitment of one-half time or more are eligible for Group Insurance.

**Group Life Insurance****3.0 Procedure****3.1 Initial Enrollment**

All employees must enroll within 31 days of initial employment or eligibility date.

**3.2 Open Enrollment**

Subsequent enrollments for any Group Insurance must wait until the next open enrollment period.

**3.3 Changes in Coverage**

A change in insurance coverage may be made only during the open enrollment period unless the employee has had a qualifying event. Examples of a qualifying event are marriage, divorce, loss of a dependent, birth, or adoption of a child, loss of spouse's employment, etc. The change in coverage must be made within 31 days of the qualifying event. Appropriate documentation must accompany any change request.

If an employee has a qualifying change in family status, he or she may add, change, or discontinue healthcare coverage outside of the open enrollment period.

Examples of qualifying events are:

- A change in marital status
- The birth/adoption of a child (including stepchildren and legally placed foster children)
- The death of a covered dependent
- A change in the employment status of a covered member, his/her spouse, or his/her covered dependents(s), that affects eligibility for a coverage under a cafeteria or other qualified healthcare plan
- The loss of eligibility status by a covered dependent
- A campus approved leave of absence without pay (maximum of 12 months)

- The employee and/or employee's spouse being called to full-time active military service/duty
- Losing or gaining healthcare coverage eligibility under Medicare or Medicaid
- A change in residence to a location outside of a healthcare plan's service area
- Healthcare plan election choices made by spouses with different employers in which the employers have different healthcare plan years.

### 3.4 Life Insurance

Georgia Southern provides a \$25,000 life insurance policy including accidental death and dismemberment coverage at no cost to the employee. Employees may purchase supplemental insurance within 31 days of employment or during the annual enrollment period unless they have a change in family status. The amount of supplemental insurance an employee can purchase is determined by their salary schedule.

Employees may purchase insurance for their spouse and/or unmarried children. Unmarried children must be between the ages of two weeks to 19 years (or 25 years if enrolled as a full-time student). Coverage is determined by age and is limited to \$10,000.

### 3.5 Health Insurance

Participation in the health insurance program is optional. The University contributes approximately 75% of the cost of the premium. Employees must enroll within 31 days of employment or wait until the next annual enrollment period unless they have a change in family status.

### 3.6 Dental Insurance

Participation in the dental insurance plan is optional. The employee pays the full cost of this program. Enrollment is limited to the first 31 days of employment unless there is a change in family status-there is no open enrollment for this plan.

### 3.7 Long Term Disability

Long Term Disability Insurance is optional. Employees pay the full premium and may add/drop coverage at any time. If an employee becomes totally disabled, the employee will receive a percentage of his/her salary. Disability income will be reduced by benefits received under Workers' Compensation, Social Security, or any employer-sponsored plan of compensation.

## 4.0 Benefits for Dependents of Deceased Employees, Disabled Employees or Retirees

The dependents of a deceased employee, a disabled employee, or a retiree may remain in the group health and life insurance programs of the University System of Georgia consistent with the following provisions:

### 4.1 Dependents of Deceased Employees With Less Than 10 Years of Continuous Benefited Service

If an employee with less than 10 years of continuous benefited service dies while in active service with

the University System, his/her dependents shall remain eligible to participate in the group health insurance program for a period of 12 consecutive months following the death of the employee. The University System shall continue to pay the employer portion for the cost of the group health insurance for the surviving dependents for this period of 12 consecutive months.

Participation in the group healthcare plan may continue after the 12-month period under the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1986 ("COBRA"). University System participation in the cost shall cease. The terms and conditions of COBRA participation that are described in the University System of Georgia's healthcare plan summary documents shall apply.

If a deceased employee with less than 10 years of continuous benefited service had elected to participate in the dependent life insurance program prior to his/her death, his/her dependents shall remain eligible to continue to participate in this program for a period of 12 consecutive months following the death of the employee. The surviving dependent(s) will be responsible for the entire cost of the dependent life insurance. At the conclusion of this 12-month period, a dependent will have individual policy conversion privileges.

#### 4.2 Dependents of Deceased Disabled Employees With Less Than 9.5 Years of Continuous Benefited Service

Those employees who become permanently and totally disabled and who have less than 9.5 years of continuous benefited service with the University System shall remain in the group health insurance program for a maximum of 12 consecutive months following the receipt of the required documentation of a disability (Section 802.1005). If a disabled employee dies during this 12-month period, his/her dependents shall remain eligible to participate in the group health insurance program for the remainder of the 12-month period. The University System shall continue to pay the employer portion for the cost of group health insurance for the surviving dependents for the remainder of the 12-month period.

Participation in the group healthcare plan may continue after the 12-month period under the provisions of COBRA. University System participation in the cost shall cease. The terms and conditions of COBRA participation that are described in the University System of Georgia's healthcare plan summary documents shall apply.

If a permanently and totally disabled employee with less than 9.5 years of continuous benefited service had elected to participate in the group life and/or dependent life insurance programs prior to becoming disabled, plan coverage will be permitted for a maximum of 12 consecutive months following the receipt of the required documentation of a disability. If a disabled employee dies during this 12-month period, his/her dependents shall remain eligible to participate in the dependent life insurance program for the remainder of the 12-month period. The surviving dependents will be responsible for the entire cost of the dependent life insurance. At the conclusion of this 12-month period, a dependent will have individual policy conversion privileges.

#### 4.3 Dependents of Deceased Employees With At Least 10 Years of Continuous Benefited Service

If an employee with at least 10 years of continuous benefited service dies while in active service with the University System of Georgia, his/her dependents shall remain eligible to continue participating in the group health insurance program. The University System shall continue to pay the employer portion of the cost of group health insurance for the surviving dependents.

If a deceased employee with at least 10 years of continuous benefited service had elected to participate in the dependent life insurance program prior to his/her death, his/her dependents shall remain eligible to continue participating in this program. The surviving dependents will be responsible for the entire cost of the dependent life insurance.

#### **4.4 Dependents of Deceased Retirees**

Upon the death of a retiree (Section 802.0902), his/her dependents shall remain eligible to continue participating in the group health insurance program. The University System shall continue to pay the employer portion of the cost of group health insurance for the surviving dependents.

If a deceased retiree had elected to participate in the dependent life insurance program while in active service, his/her dependents shall remain eligible to continue participating in this program. The surviving dependents will be responsible for the entire cost of the dependent life insurance.

In no event shall the spouse of the deceased continue in the group after remarriage. Dependent children may remain in the group until they reach the legal age of majority or until they become eligible for another group benefits plan. The definition of dependent children as defined in the University System of Georgia's healthcare summary plan documents shall apply.

Eligibility in the group plans will cease for reasons including, but not limited to, the following:

- Failure to remit premiums in a timely manner;
- Remarriage of the spouse;
- A dependent child no longer meets the definition of a "qualified dependent" under the plan's provision;
- The dependent becomes covered by another group health plan; and/or
- The plans are no longer offered to any employees.

#### **5.0 Continuation Rights**

In addition to the specific situations covered above, an individual member is also entitled to continuation of group health coverage under the following conditions as defined in the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA):

5.1 Employee, spouse, and dependent eligibility for up to eighteen (18) months for loss of coverage due to an employee's reduction in work hours, voluntary resignation, lay-off for economic reasons, or discharge, except for gross misconduct.

5.2 A member loses continuation coverage if the group cancels all health plans for all employees, the member does not pay the required monthly premium, or the member gets other coverage by re-employment, remarriage, or Medicare eligibility.

5.3 In the event of COBRA continuation of coverage, the participant must pay the full amount of the premium cost plus a small administrative charge.

5.4 Employees who become permanently and totally disabled and who have less than 9.5 years of continuous benefited service with the University System shall remain eligible for group health and life

insurance benefits for a maximum of 12 consecutive months following the receipt of the required documentation of a disability. The University System shall continue to pay the employer portion of the cost of group insurance for disabled employees for this 12-month period.

Participation in the group healthcare plan may continue after the 12-month period under the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1986 ("COBRA"). University System participation in the cost shall cease. The terms and conditions of COBRA participation that are described in the University System of Georgia's healthcare summary plan documents shall apply.

Continued participation in the group life insurance program is not covered by the provisions of COBRA. Participation in the group life insurance program may continue after the 12-month period; however, University System participation in the cost shall cease.

Employees who are deemed to be permanently and totally disabled following 9.5 years of continuous benefited service with the University System shall remain eligible for group health and life insurance benefits. The University System shall continue to pay the employer portion of the cost of group insurance for these retirees (Section 802.0902 A.4).

Eligibility in the group plans will cease for reasons including, but not limited to, the following:

- Failure to remit premiums in a timely manner;
- Remarriage of the spouse;
- A dependent child no longer meets the definition of a "qualified dependent" under the plan's provision;
- The dependent becomes covered by another group health plan; and/or
- The plans are no longer offered to any employees (BOR Minutes, August 2005).